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IN THE
Supreme Court of the United States
OCTOBER TERM, 1948

No. 481

THE AMERICAN FOUNDRY EQUIPMENT
COMPANY,

Petitioner,

vs.

PANGBORN CORPORATION,

Respondent.

**REPLY BRIEF FOR PETITIONER IN SUPPORT OF
PETITION FOR WRIT OF CERTIORARI**

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February 10, 1949.



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Pangborn's brief in opposition to our petition for writ of certiorari is almost wholly unresponsive. It does not deal at all with the single "Question Presented" in the petition (pp. 2-3), *i.e.*, whether it was within the discretion of the courts below to refuse American a trial upon a validly filed permissive counterclaim. Nor does it deal with the reasons relied on for granting the writ (pp. 7-10). It contents itself with arguing that American's amended and supplemental counterclaim was not actually on file, and that American may not press its counterclaim because it does not have clean hands.

As to the first argument, Pangborn concedes (bf., p. 21) that on January 6, 1948, pursuant to leave of court, it filed an answer to American's amended and supplemental counterclaim of August 13, 1946. Nevertheless, Pangborn contends that American abandoned the right to file this pleading prior to August 13, 1946, and acquiesced on March 17, 1947, in its dismissal. No record citation is given to support the last contention, which is completely unfounded,

and the claim of abandonment finds no support either in the opinion below or in the facts of record. While American moved to supersede its amended and supplemental counterclaim with a pleading which would further amend and supplement it, the denial of American's motion obviously left the filed pleading in full force and effect.

Pangborn's second argument is palpably frivolous because no such issue has ever been tried, and neither of the courts below mentioned it as a reason for dismissing American's counterclaim.

The remainder of Pangborn's brief in opposition simply constitutes another attack on the six-year old Pittsburgh decree, which was entered on Pangborn's consent after a full trial (R. 19). Only the egregiously untrue statements contained in this part of the brief, which might possibly mislead the Court, induce us to notice it at all.

First, it is claimed that the Pittsburgh court did not apply proper rules of law in reaching its decision. For example, it is said (bf. p. 3) that the court did not compare the claims in the patent sued on with the accused device. This is categorically untrue, as appears from the Court's findings of fact. Were it otherwise, this is hardly the appropriate time or manner to seek a review of the Pittsburgh case, especially as this Court denied a review of the interlocutory decree ten years ago. (308 U. S. 566).

Second, it is claimed that had the Pittsburgh court realized that it was not entitled to treat the Peik application, filed August 14, 1933, abandoned April 15, 1934, and revived May 21, 1935, as a live application,* the result might

*Because 10 years later the present Commissioner of Patents, over-ruling five of his predecessors, vacated the revival.

Contrary to the unqualified statement in Pangborn's brief (p. 18), judicial review of this decision, which American contends is flagrantly erroneous and was made without any jurisdiction or authority, was sought two weeks ago in the United States District Court for the District of Columbia.

have been different. That first Peik application, however, was followed on January 24, 1934, with the second Peik application which resulted in the issuance on April 3, 1934, of the patent involved in the Pittsburgh suit. The two applications were admittedly co-pending, and the law is thoroughly settled that a continuation in part is entitled to the benefit of the earlier filing date, whether or not there has been an abandonment of the earlier application.

Lotterhand v. Hanson, 1904 C. D. 646 (D. of C. Ct. of App.);

Cain v. Park, 1899 C. D. 278 (D. of C. Ct. of App.);

Field v. Colman, 1913 C. D. 450 (D. of C. Ct. of App.); cert. den. 231 U. S. 747;

Benedict v. Menninger (1933, C. C. P. A.) 64 F. 2nd 1001.

Third, it is claimed that a decision of the Court of Customs and Patent Appeals (*Peik v. Rosenberger*, 113 F. 2d. 129), which decided an interference in favor of Pangborn's assignors on the ground that Peik (American) was not entitled to make the counts in issue, conclusively settles priority *on the merits* against American, and over-rides the Pittsburgh decree. It is plain, however, that a decision on this purely technical ground settles nothing as to the merits (*In re Hoover*, 134 Fed. 2d 624), and cannot possibly over-ride a decree in an infringement suit.

As pointed out in our brief in opposition to Pangborn's petition for writ of certiorari, Pangborn is here attempting to have this Court reconsider the Pittsburgh decree and to appeal from the Pittsburgh court's denial of Pangborn's petition for leave to file a complaint in the nature of a bill

of review. That petition was based on the identical claims of fraud, in connection with the Hollingsworth-Grocholl situation, which are now being reasserted. In our brief we further pointed out (p. 5) how the Pittsburgh court some eight years ago exploded all such claims of fraud and held them to be without foundation or merit.

None of Pangborn's arguments, other than those discussed at the beginning of this brief, have anything to do with our petition for a writ. They are palpably advanced in support of Pangborn's own petition for a writ. In the event Pangborn's petition is denied, American does not ask that its petition for a writ be granted, although the granting of our petition is in no wise legally dependent upon the granting of that of Pangborn.

Respectfully submitted,

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